REMARKS

A. <u>Introduction</u>

Claims 15, 18, 26-32 and 34-42 are pending and on appeal.

The Board of Patent Appeals and Interferences (BPAI) entered a Decision on Appeal on February 26, 2010 (the "<u>Decision</u>"). The <u>Decision</u> affirmed-in-part the Examiner's rejections and entered new grounds of rejection of Claims 35 and 36 under 35 U.S.C. § 101.

With the filing of this Response, Applicants request that prosecution be reopened and the matter be reconsidered by the Examiner in light of the Amendment to the claims and consistent with the Decision.

Upon entry of this Amendment:

- Claims 35-42 will be pending
- Claims 35 and 36 will be amended
- Claims 37-42 will not be amended
- Claims 15, 18, 26-32 and 34 will be cancelled without prejudice
- Claims 35-37 will be the only independent claims

B. THE DECISION ON APPEAL

On appeal of the rejection of Claims 15, 18, 26-32 and 34-36, the BPAI affirmed-in-part and entered new grounds of rejection of rejection. Specifically:

- The rejection of Claims 35-42 under 35 U.S.C. § 102(e) as being anticipated by Zampese was not sustained
- Claims 35 and 36 are newly rejected under 35 U.S.C. § 101
- The rejection of Claims 15, 18, 26-32 and 34 under 35 U.S.C. § 103(a) as being unpatentable over Zampese and Bezos was sustained

[Decision, page 16].

Accordingly, Applicants understanding is that there are currently no grounds of rejection of Claims 37-42.

C. CLAIMS 37-42 ARE ALLOWABLE

The BPAI did not sustain the rejections of Claims 37-42, and no new grounds of rejection were provided for those claims. Accordingly, Claims 37-42 are in condition for allowance and Applicants respectfully request acknowledgement of their allowability, consistent with the <u>Decision</u>.

D. <u>CLAIMS 35 AND 36: REJECTION NOT SUSTAINED FOR PRIOR ART / NEW GROUNDS OF REJECTION</u>

The BPAI did not sustain the Section 102(e) rejections of Claims 35 and 36, but did newly reject Claims 35 and 36 under Section 101.

Each of Claims 35 and 36 has been amended with this paper in order to provide for features directed to a terminal of a merchant, as similarly recited in Claim 37. No new matter has been added. Applicants submit that a terminal of a merchant is a particular machine or apparatus, and that Claims 35 and 36 are drawn to patent-eligible subject matter.

Accordingly, Claims 35 and 36 are in condition for allowance. Applicants respectfully request the Examiner's consideration of the amended claims, withdrawal of the new ground of rejection under Section 101 and allowance of Claims 35 and 36.

E. SECTION 103(A) REJECTIONS

The BPAI sustained the rejection of Claims 15, 18 and 26-32 under 35 U.S.C. 103(a) as being unpatentable over <u>Zampese</u> (U.S. Patent No. 6,014,650) and Bezos (U.S. Patent No. 5,727,163).

Applicants maintain their traverse of the Section 103(a) grounds of rejection for at least the reasons stated in their Appeal Brief and Reply Brief.

However, solely in order to expedite allowance of the present Application, Claims 15, 18, 26-32 and 34 have been cancelled by this Amendment without prejudice. Applicants intend to pursue the subject matter of the pending claims in one or more continuing applications.

F. ADDITIONAL COMMENTS

The absence of arguments for patentability other than those presented in this paper should not be construed as either a disclaimer of such arguments or as an indication that such arguments are not believed to be meritorious.

G. PETITION FOR EXTENSION OF TIME TO RESPOND & AUTHORIZATION TO CHARGE APPROPRIATE FEES

Applicants do not believe that any fees are necessary for this response.

Please grant a petition for any extension of time required to make this Response timely. Please also charge any other appropriate fees set forth in 37 C.F.R. $\S\S 1.16 - 1.18$ for this paper and for any accompanying papers to:

Deposit Account: 50-0271

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Please credit any overpayment to the same account.

H. CONCLUSION

It is submitted that all of the claims are in condition for allowance. The Examiner's consideration is respectfully requested.

If the Examiner has any questions regarding this paper or the present application, the Examiner is cordially requested to contact Michael Downs at telephone number (203) 438-6408 or via electronic mail at mdowns@finchamdowns.com.

Respectfully submitted,

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Date

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